



## State of North Carolina Office of the State Controller

Michael F. Easley, Governor

October 1, 2007

Robert L. Powell, State Controller

### MEMORANDUM

**TO:** The Honorable Michael F. Easley, Governor  
The Honorable Marc Basnight, Senate President Pro Tempore  
The Honorable Joe Hackney, Speaker of the House of Representatives

**FROM:** Robert L. Powell, State Controller *Robert L. Powell*  
David McCoy, State Budget Officer *David McCoy*  
George Bakolia, State Chief Information Officer *George Bakolia*

**SUBJECT:** Annual Information Technology Expenditures Report Transmittal

To fulfill the reporting requirements of G.S. 147-33.87, the Office of the State Controller, Office of Information Technology Services and Office of State Budget and Management have prepared the Information Technology Expenditures Report which outlines the total information technology expenditures within the State. This annual report covers the period July 2006 through June 2007 and is available through the OSC web site at [http://www.ncosc.net/financial/ITReport\\_06302007.pdf](http://www.ncosc.net/financial/ITReport_06302007.pdf).

This report shows total information technology (IT) expenditures, excluding the Office of Information Technology Services, of \$1,017,543,419 for the fiscal year ending June 30, 2007. This is an increase of \$75 million or 8.01% as compared to June 30, 2006. For the Office of Information Technology Services, total IT expenditures were \$155,699,845. This is an increase of \$25 million or 19.18% as compared to June 30, 2006.

Project/Application specific financial costs are again presented using data input into the IT Portfolio Management System administered by the Office of Information Technology Services (ITS). Project/Application costs as reported for agencies subject to G.S. 147-33.87 (excluding ITS) for June 30, 2006 were \$345,695,102 and represented 66.92% of total IT expenditures (excluding Administrative Office of the Courts, the NC Education Lottery, the UNC System and ITS). For June 30, 2007 this total is \$366,506,720 and represents 67.42% of total IT expenditures. This is an increase of \$20.8 million or 6.02% as compared to June 30, 2006.

The next report to be published will be for the period from July 2007 through June 2008. For additional information about this report, please contact the Office of the State Controller.

cc: Chief Executive Officers  
Chief Fiscal Officers  
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